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SCOTT ELLIOTT

February 9, 2006

TELEPHONE (803) 771-0555 FACSIMILE (803) 771-8010

RECEIVED # #3

HAND DELIVERY

Charles L. A. Terreni, Esquire Chief Clerk and Administrator Public Service Commission of South Carolina 101 Executive Center Dr., Suite 100 Columbia, SC 29210

RE:

Joint Application of Sprint Communications Company L.P. and Sprint

for Transfer of Customer Base

Dear Mr. Terreni:

Enclosed please find for filing an original and fifteen (15) copies of an Application with two exhibits in the above referenced matter together with a Certificate of Service on the Office of Regulatory Staff for filing.

Please note that the verified direct testimony of C. Steve Parrott is Exhibit B to enclosed application; accordingly, we are filing twenty-five (25) copies of this verified testimony.

I have included two extra copies of both of these documents which I would ask you to date stamp and return to me via my courier.

Thank you for your assistance, and please call me if you have questions regarding this matter.

Sincerely,

Elliott & Phiott, P.A.

Scott Elliott

SE/jcl Enclosures

c:

All parties of record w/enc

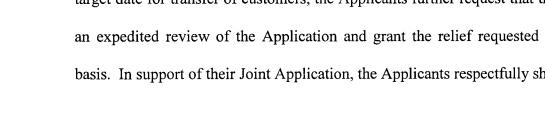
Cheryl Sweitzer

BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

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In Re:)			15	Ϋ́
Joint Application of Sprint)			-9	A CONTRACTOR OF THE PARTY OF TH
Communications Company L.P.)	Docket No. 2006 - 56 C	- Ğİ,		
And Sprint Long Distance, Inc.)			Ü	
For Transfer of Customer Base)		L11	~	

JOINT APPLICATION FOR TRANSFER OF CUSTOMER BASE

Sprint Communications Company L.P. ("Sprint LP") and Sprint Long Distance, Inc. ("LTD Long Distance") (collectively, "Applicants") respectfully petition the Public Service Commission of South Carolina ("Commission") under S.C. Code Ann. § 58-9-310 for authority to transfer all of Sprint LP's residential long distance customers served by Sprint LP in the local exchange territory of United Telephone Company of the Carolinas to LTD Long Distance as well as certain business customers that have headquarters located in the local service area. Sprint and LTD Long Distance also request, to the extent required, that the Commission waive any applicable anti-slamming regulations. Because of the timing of the transaction and the proposed target date for transfer of customers, the Applicants further request that the Commission conduct an expedited review of the Application and grant the relief requested herein on an expedited basis. In support of their Joint Application, the Applicants respectfully show as follows:



Also included in the transfer are those small business customers that are located in the service area of United Telephone Company of the Carolinas and do not have a corporate or regional headquarters.



I. PARTIES

- 1. Sprint Communications Company L.P. is a Delaware Limited Partnership with principal offices located at 6200 Sprint Parkway, Overland Park, Kansas. Sprint is duly authorized by the Commission to provide interexchange telecommunications services in South Carolina.
- 2. LTD Long Distance is a Delaware corporation with principal offices located at 6200 Sprint Parkway, Overland Park, Kansas 66251 and is authorized as a provider of resold interexchange services in South Carolina.² In addition, as evidenced by its recent certification, LTD Long Distance has the requisite technical, financial and managerial capabilities to acquire Sprint LP's customer assets and to ensure the seamless provision of telecommunications services.
- 3. The authorized representatives of the Joint Applicants in this proceeding are as follows. All inquiries, correspondence, notices and copies of pleadings should be sent to Applicants' counsel:

Scott Elliott, Esquire Elliott & Elliott, P.A. 721 Olive Street Columbia, South Carolina 29205 (803) 771-0555

Edward Phillips, Esquire 14111 Capital Boulevard NCWKFR0313 Wake Forest, North Carolina 27587-5900 (919) 554-7870

Attorneys for Sprint Long Distance, Inc. - and -

² See Commission Docket No. 2005-238-C, in which LTD Long Distance was granted authority to provide operator services and resold interexchange telecommunications services by Order No. 2005-689 dated December 8, 2005.

William R. Atkinson, Esquire 3065 Cumberland Circle GAATLD0602 Atlanta, Georgia 30339 (404) 649-4882

Lorri Patton, Esquire Womble Carlyle Sandridge & Rice 3300 One Wachovia Center 301 South College Street Charlotte, North Carolina 28202 (704) 331-4926

Attorneys for Sprint Communications Company, L.P.

II. DESCRIPTION OF TRANSACTION

- 4. In accordance with an agreement entered into between the Applicants, Sprint LP will transfer its residential long distance customers and certain business customers headquartered in the local exchange area to LTD Long Distance. Sprint LP currently provides interexchange services on a facilities basis in all 50 states and internationally. Under its agreement with LTD Long Distance, Sprint LP will transfer its specified customer base to LTD Long Distance. Sprint LP will continue to provide interexchange services to residential and business customers throughout South Carolina and its other jurisdictions. In addition, Sprint LP will continue providing wholesale interexchange services so that companies like LTD Long Distance can meet its customer expectations in South Carolina and other states.
- 5. The transfer will be transparent to the affected customers and will not alter the manner or quality of service that Sprint's current interexchange customers enjoy.

III. REQUEST FOR WAIVER OF APPLICABLE ANTI-SLAMMING REGULATIONS

- 6. Prior to the transfer of its residential customers and certain of its business customers to LTD Long Distance, LTD Long Distance will provide the affected customers with notice of the change in local providers. In the notice letter, the customers will be informed that they have the right to switch to the long distance carrier of their choice and if they wish to transfer to a carrier other than LTD Long Distance, they should do so by a specific date in order to ensure the seamless transfer of service to the new carrier. The customers are further informed that if they wish to switch to a carrier other than LTD Long Distance, they may incur a transfer fee. See Exhibit "A", attached hereto. The notice letter also clearly states that if the customer consents to the change of carrier to LTD Long Distance, no customer action is required for the transfer to occur, the customer's current plan, rates, features, terms and conditions of service will transfer to LTD Long Distance, and the customer will not incur any charges for the transfer of service to LTD Long Distance. Also, the letter lists a toll-free Sprint customer service number in the event that customers have any questions regarding the transfer.
- 7. The Applicants intend to provide the affected customers with the notice included in Exhibit "A" at least thirty days prior to implementation of the transfer. Although Applicants have attempted to include in the notice letter all relevant state and federal customer notification and consent requirements, Sprint and LTD Long Distance respectfully request, to the extent necessary, that the Commission grant a waiver of any applicable anti-slamming regulations that may possibly be violated by the transfer being made without specific authorization from each affected customer.

PUBLIC INTEREST CONSIDERATIONS

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- 8. The public interest will be served by the transfer of Sprint LP's long distance customers to LTD Long Distance, an affiliate of an experienced and qualified local exchange carrier that has been providing retail and wholesale local exchange telecommunications services nationwide for over 100 years. LTD Long Distance has the technical, financial and managerial capabilities to provide quality service to Sprint LP's long distance customers, as previously confirmed by the Commission when it granted IXC Certification to LTD Long Distance.
- 9. There will be no changes to the affected customers' service plans, rates, features, terms or conditions of service as a result of the proposed transaction. Moreover, Commission approval of the proposed transfer will serve the public interest by promoting additional competition in the interexchange market in South Carolina. The transfer will also enable LTD Long Distance to strengthen its market position by providing it the opportunity to offer to its newly acquired customers an array of services and products. The market for interexchange services is highly competitive and this additional competition benefits South Carolina consumers through expanded choices for products and services and lower, more competitive rates. Accordingly, Commission approval of the proposed transfer is in the public interest.

V. REOUEST FOR EXPEDITED REVIEW

10. Because of the timing of the transaction and the proposed target date for transfer of customers, the Applicants further request that the Commission conduct an expedited review of this Application and grant the relief requested herein on an expedited basis. Exhibit "B" in support of the Joint Application and request for expedited review is the verified prefiled Direct Testimony of Mr. Steve Parrott.

VI. CONCLUSION

WHEREFORE, in recognition of the foregoing, Sprint and LTD Long Distance request that the Commission approve the transfer of customer base described herein on an expedited basis, and to the extent required, grant a waiver of any applicable anti-slamming regulations.

Respectfully submitted this 971 day of February

Scott Elliott, Esquire Elliott & Elliott, P.A. 721 Olive Street

Columbia, South Carolina 29205

(803) 771-0555

Edward Phillips, Esquire 14111 Capital Boulevard NCWKFR0313 Wake Forest, North Carolina 27587-5900 (919) 554-7870

Attorneys for Sprint Long Distance, Inc.

- and -

William R. Atkinson, Esquire 3065 Cumberland Circle GAATLD0602 Atlanta, Georgia 30339 (404) 649-4882

Lorri Patton, Esquire Womble Carlyle Sandridge & Rice 3300 One Wachovia Center 301 South College Street Charlotte, North Carolina 28202 (704) 331-4926

Attorneys for Sprint Communications Company, L.P.

BEFORE THE

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

Joint Application of Sprint)
Communications Company, L.P.)
and Sprint Long Distance, Inc.)
for Transfer of Customer Base	Ò

EXHIBIT A

IMPORTANT NOTICE REGARDING YOUR SPRINT LONG DISTANCE SERVICE

<Date>

<Long Distance Account Number>
<First Name> <Last Name>
<Address>
<City>, <State>, <ZIP>

Dear <First Name> <Last Name>:

We are contacting you about an upcoming change to your long distance service. We recently told you about <NLC Company Name>, your new local telecommunications company. As we explained, <NLC Company Name> will not be part of the Sprint Nextel family of companies.

As a result of this separation, Sprint Communications Company L.P., your current long distance provider, will transfer your long distance service to <NLC Long Distance, Inc.>, a subsidiary of <NLC Company Name>. The transfer of your services will begin on or about April 29, 2006, and should conclude on or about May 7, 2006. After the transfer is complete, <NLC Long Distance, Inc.> will replace Sprint Communications Company L.P. as the long distance service provider listed on your invoice. These changes are subject to obtaining all required regulatory approvals, and the filing of all appropriate documents with state agencies.

Please be assured that this transition will have no impact on your services whatsoever. You will continue to receive uninterrupted service at the same high level of quality you have come to expect. You will also retain your current plan, rates, features, Terms and Conditions of Service, and your current customer service contacts.* You will not incur any charges related to the transfer of service to <NLC Long Distance, Inc.>, and no action is required from you regarding this transfer.

All customers have a choice in carriers for their long distance service. If you choose a different carrier for your long distance service, you may incur a fee for transferring your service. Should you choose to stay with Sprint or select another carrier for your long distance service, you may lose certain "bundled" discounts or special offers you may currently enjoy on your local and long distance service. A list of most long distance service providers is typically available in your local telephone directory.

Under Federal Communications Commission rules, any restrictions or "freezes" you may have placed on your account to block changes to your preferred long distance carrier will be removed as part of the transfer process. If you wish to reinstate such restrictions, have any questions about the transfer, need any assistance, or if you have any complaints before, during, and after this transfer process, please contact customer service at <1-800-xxx-xxxx>.

We welcome you to <NLC Company Name> and look forward to providing you with reliable, innovative products and services for years to come.

Sincerely,

Dan Kerling Customer Change Communications

* Customers with a bundled product (a combination of local products that qualify them for a specific long distance plan) who make a change to that bundle of services will be moved to an appropriate qualifying long distance plan. Specific details regarding the long distance plan may be found at www.xxxxxxxxx.

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IMPORTANT NOTICE REGARDING YOUR SPRINT BUSINESS LONG DISTANCE SERVICE

<Date>

<Long Distance Account Number>
<Company Name>
<Address>
<City>, <State>, <ZIP>

Dear Valued Business Customer:

We want to let you know about an upcoming change to your business long distance service. Our local telecommunications division is being separated from Sprint Nextel to become an independent company - <NLC Company Name>. If you have local services from Sprint, you should have already received information about these plans.

As a part of this process, and as allowed under your terms of service, Sprint Communications Company L.P., your current long distance provider, will assign your business long distance service to <NLC Long Distance, Inc.>, an affiliate of Sprint Communications Company L.P., and a subsidiary of <NLC Company Name>. The transfer of your business long distance service will begin on or about April 29, 2006, and should conclude on or about May 7, 2006. After the transfer is complete, <NLC Long Distance, Inc.> will replace Sprint Communications Company L.P. as the long distance service provider listed on your invoice.

This transition will have no other impacts on your business long distance service. The transfer will occur automatically; no action is required on your part. You will continue to receive the same quality of service that you currently enjoy. <NLC Long Distance, Inc.> will be responsible for handling any questions or complaints you may have before, during, and after this transfer process.

The transfer will not affect your rates or terms of service, including the right to choose a different long distance carrier. Should you choose to stay with Sprint or select another carrier for your long distance service, please be aware that you may lose certain "bundled" discounts and special offers you may currently enjoy on your local and long distance services. Additionally, any early termination liabilities associated with your long distance service may apply.

Under Federal Communications Commission rules, any restrictions or "freezes" you may have placed on your account to block changes to your preferred business long distance carrier will be removed as a part of the transfer process. If you wish to reinstate such restrictions, you should contact us at <1-800-xxx-xxxx> anytime after May 15, 2006.

If you have any questions about the transfer of your business long distance service, please call us at 1-866-407-6523. We look forward to providing you with outstanding products and services.

Sincerely,

<NLC Business Signature>

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BEFORE THE

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

Joint Application of Sprint)
Communications Company, L.P.)
and Sprint Long Distance, Inc.)
for Transfer of Customer Base)

EXHIBIT B

IN RE: JOINT APPLICATION OF)	PUBLIC SERVICE COMMISSION
SPRINT COMMUNICATIONS)	OF SOUTH CAROLINA
COMPANY L.P. AND SPRINT LONG)	
DISTANCE, INC, FOR TRANSFER OF)	DOCKET NO
CUSTOMER BASE	

SC PUBLIC STATES
ON PUBLIC STATES

DIRECT TESTIMONY

OF

C. STEVE PARROTT

ON BEHALF OF

SPRINT LONG DISTANCE, INC.

And

SPRINT COMMUNICATIONS COMPANY L.P.

February 8, 2006

- Q. Please state your name and business address.
- 2 A. My name is C. Steve Parrott and my business address is 14111 Capital
- Boulevard, Wake Forest, North Carolina, 27587-5900.

4

1

- 5 Q. By whom are you employed and what is your position?
- 6 A. I am employed by Sprint/United Management Company as State Executive
- 7 for North Carolina and South Carolina and I am testifying in this proceeding
- on behalf of Sprint Long Distance, Inc. ("LTD Long Distance"), and Sprint
- 9 Communications Company L.P ("Sprint LP").

10

11

- Q. Please briefly outline your education, training and experience in the
- telephone industry.
- 13 A. I hold a Bachelor of Science Degree in Business Administration (Accounting
- Major) from the University of Tennessee at Knoxville and I have over twenty-
- eight (28) years of telephony experience with Sprint Corporation. Following
- my employment with Sprint's regional local exchange company in Bristol,
- 17 Tennessee in July 1977 as a staff accountant, I have held numerous staff
- and management positions in the areas of finance/accounting, information
- management services, and regulatory affairs. Management positions have
- 20 included General Accounting Manager, Director Local Revenues, Director -
- 21 Rate Planning and Rate Case Matters, Director Revenues and Regulatory
- 22 Matters, Director Regulatory Affairs TN/VA and Director-State Regulatory

Affairs. In November 2000, I was appointed to my present position of State Executive-NC/SC.

Q. What are your responsibilities as State Executive – NC/SC?

A. I am directly responsible for state regulatory affairs and governmental affairs work functions for all Sprint affiliates (including United Telephone Company of the Carolinas) in North Carolina and South Carolina, as well as for Sprint's Local Telephone Division's corporate communications and public affairs functions in these states. Although I am not an attorney, I do have indirect responsibility for the legal (regulatory) functions in these states. As State Executive-NC/SC, I direct Sprint's external affairs activities in North Carolina and South Carolina which includes providing regulatory and legislative advocacy for Sprint's affiliates in these states.

Q. Have you previously testified before state utility Commissions?

Yes, I have testified before the North Carolina Utilities Commission, the
Tennessee Regulatory Authority (previously the Tennessee Public Service
Commission), the Virginia State Corporation Commission and the Public
Service Commission of South Carolina addressing the areas of
finance/accounting, rate design, access charge reform, regulatory policy,
price regulation plans, rules for local exchange competition and universal
service issues. In addition, I recently testified before the Public Service
Commission of South Carolina in December, 2005 in support of the

Application for Change of Control Authority and the Application for

Certification of Sprint Long Distance, Inc. with both related to the separation

of our local telephone operations from Sprint Nextel Corporation.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to support the transfer of long distance

customers from Sprint LP to LTD Long Distance. The transfer of these

customers is in the public interest as it will enable United Telephone

Company of the Carolinas ("United"), an affiliate of LTD Long Distance, to

continue to offer a vast array of bundled services, including the long distance

services to be transferred, and to ease the confusion when United and LTD

Long Distance are separated from Sprint Nextel Corporation.

Q. Please explain why the transfer is necessary.

A. As the Commission is aware, United and LTD Long Distance will be legally separated from Sprint Nextel Corporation (including Sprint Nextel's subsidiary Sprint LP)¹. As part of that separation, residential and some business long distance customers will stay with LTD Holding Company or one of its subsidiaries. Many of these customers currently purchase Sprint LP long distance service as part of a bundle with local dial tone and custom calling features provided by United. These customers associate their bundle with the local telephone company rather than the long distance company. Thus, in

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¹ In Order No. 2005-690, the Commission approved the separation of LTD Holding Company from Sprint Nextel. LTD Holding Company is the parent company of LTD Long Distance and United.

1	order to continue that association, it only makes sense that these customers
2	stay with United and its associated long distance company, LTD Long
3	Distance.
4	
5	Q. Which customers will be affected?
6	A. All residential and small business customers located in United's service
7	territory will become customers of LTD Long Distance. Large multi office
8	corporations with headquarters located in United's service territory will also be
9	customers of LTD Long Distance.
10	
11	Q. How will the customers be notified of this change?
12	A. The residential and small business customers will receive notice via direct
13	mail (see attachment "A" of the application). This notification complies with all
14	South Carolina and FCC rules governing the transfer of customers. Large
15	business customers will be notified by their assigned United account
16	management team.
17	
18	Q. What will happen to the plans that the customers are currently on?
19	A. The current plans and options will be the same at the time of the transfer.
20	
21	Q. What will happen if the customer wants to stay with Sprint LP?
22	A. The end user has every right to stay with Sprint LP or move to any other long
23	distance provider for that matter. However, as part of the notification letter

they will be informed that by staying with Sprint LP they will no longer be eligible for discounts offered as part of a bundled package from United and may incur a fee to switch to Sprint LP or another long distance carrier

Q. What other steps will be necessary to finalize the transfer of customers?

A. On February 1, LTD Holding Company announced that it will operate as Embarq Corporation ("EMBARQ") subsequent to legal separation from Sprint Nextel Corporation. To comply with all FCC and state requirements associated with long distance customer migrations, Sprint Long Distance, Inc. (LTD Long Distance) will notify all migrating long distance customers of the name change and pending migration to EMBARQ in a timeline consistent with the required tariff and corporate governance document changes. Customer notification letters will be mailed March 17 through March 24, all name change documentation will be effective April 24, and actual customer migration will occur April 29 through May 7. Once all the required regulatory approvals are received, EMBARQ will complete its legal separation from Sprint Nextel Corporation towards the end of the second quarter. The remaining corporate governance documentation requirements associated with EMBARQ in South Carolina will be implemented at that time.

Q. Why would approving this Application be in the public interest?

A. All customers to be transferred reside in United's service territory. Many of these customers receive a bundled service from United consisting of local and long distance which makes them eligible for pricing discounts. Many of

- the customers receive one combined bill from the local company for both local and long distance services. Payment of monthly bills is made to a United post office box. In order to reduce customer confusion, it only makes sense that Sprint LP long distance customers affected by the legal separation of the local telephone operations from Sprint Nextel be transferred to LTD Long Distance and rebranded with the new corporate name (EMBARQ).
- 7
- 8 Q. Does this conclude your Direct Testimony?
- 9 A. Yes, it does.

AFFIDAVIT

STATE OF NORTH CAROLINA COUNTY OF FRANKLIN

BEFORE ME, the undersigned authority, duly commissioned and qualified in and for the State and County aforesaid, personally came and appeared C. Steve Parrott, who being by me first duly sworn deposed and said that:

He is appearing as a witness on behalf of Sprint Long Distance, Inc. and Sprint Communications Company L.P., and if present before the Commission and duly sworn, his testimony would be the same as set forth in the annexed Direct Testimony consisting of 6 pages.

C. Steve Parrott State Executive – NC/SC

L. Str

Sworn to before me the 7th day of 7th, 2006.

Jeresa W. Chyplin Notary Public

My Commission Expires: 12.28-09

CERTIFICATE OF SERVICE

The undersigned employee of Elliott & Elliott, P.A. does hereby certify that she has served below listed parties with a copy of the pleading(s) indicated below by mailing a copy of same to them in the United States mail, by regular mail, with sufficient postage affixed thereto and return address clearly marked on the date indicated below:

RE:

Joint Application of Sprint Communications Company, L.P. and Sprint Long Distance, Inc. for Transfer of

Customer Base

PARTIES SERVED:

C. Dukes Scott, Esquire

Executive Director

Office of Regulatory Staff

P. O. Box 11263 Columbia, SC 29211

Florence P. Belser, Esquire

General Counsel

Office of Regulatory Staff

P. O. Box 11263 Columbia, SC 29211

William R. Atkinson, Esquire

3065 Cumberland Circle

GAATLD0602 Atlanta, GA 30339

Lorri Patton, Esquire

Womble Carlyle Sandridge & Rice

3300 One Wachovia Center 301 South College Street Charlotte, NC 28202

PLEADING:

Joint Application of Sprint Communications Company,

L.P. and Sprint Long Distance, Inc. for Transfer of

Customer Base with two Exhibits

February 9, 2006

Jackie C. Livingston, Paralegal